Office of Attorney General Terry Goddard



STATE OF ARIZONA

DEPARTMENT OF LAW

12 75 W. WASHINGTON STREET
PHOENIX, ARIZONA 85007-2926

WWW.AZAG.GOV

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ANDREA M. ESQUER
PRESS SECRETARY
PHONE: (602)-542-8019
CELL PHONE: 602-725-2200

Goddard Settles with Makers of Generic Version of Children's Ibuprofen

(Phoenix, Ariz. – August 12, 2004) Attorney General Terry Goddard announced the settlement of a civil lawsuit with the Perrigo Company and Alpharma, Inc., the only two manufacturers of generic over-the-counter children's liquid suspension ibuprofen approved by the Food and Drug Administration.

The antitrust complaint alleges that the two companies worked together to destroy competition in the market for over-the-counter generic store-brand versions of children's liquid ibuprofen. The complaint alleges that Perrigo and Alpharma entered into an agreement in 1998 that gave Perrigo 100 percent of the market for generic versions of this product. The complaint further alleges that Alpharma never began selling its generic product, and that Perrigo captured a 100 percent share of the market. The lack of competition caused retail stores selling store brand products to pay more for this product than they would have paid in a competitive market.

"This lawsuit was an enforcement action designed to prevent these pharmaceutical companies from engaging in anti-competitive practices," Goddard said. "When companies conspire to destroy the marketplace, consumers are harmed. This action sends a strong message that the Attorneys General are paying attention and will enforce antitrust laws."

Arizona joined 49 other states and commonwealths and the Federal Trade Commission in the investigation into this matter. The FTC today also announced its own lawsuit settlement with Perrigo and Alpharma.

The settlement agreement includes the following conditions:

- Perrigo and Alpharma will make combined payments of \$10,000 to each litigating state.
- The two companies will pay approximately \$1 million into funds administered by the National Association of Attorneys General to help support future antitrust enforcement efforts.
- The companies will refrain from engaging in these anti-competitive practices in the future.